

Exhibit No. 38Date 3-21-11Bill No. HB 2

A Message to the 62nd Legislature March 21, 2011

"We need tools and investment to be competitive!"

Support the Primary Sector Workforce Training Grant Program

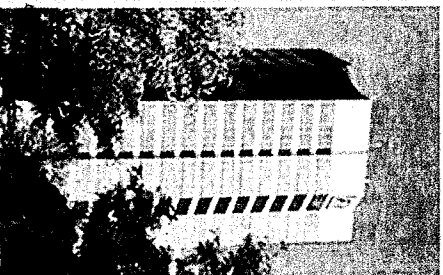
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BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC • CREATING MONTANA BUSINESS OPPORTUNITIES

Current Budget Plans nearly eliminate one of our few business recruitment and expansion tools



Cuts to the Department of Commerce Workforce Training Grant Program reduce funding to \$1.0 million per year—current funding is at \$2.5 million per year

This action would de-fund job-creation efforts by \$3.0 million over the next two years...at a time when businesses need our partnership and job creation opportunities are growing



Worker Training Grant Programs

Primary Sector Workforce Training, MT Dept. of Commerce

Purpose and Benefits —

- Provides grant funds to existing and new Montana businesses for workforce training and business expansion
- Targets "primary-sector" jobs that bring new dollars into Montana, at solid wage rates
- Functions as a key incentive for new business recruitment and the expansion of existing Montana businesses
- Helps Montana stay competitive in the retention and recruitment of businesses
- Generates new income tax dollars for the State from job creations
- More than 700 of new jobs have been created across Montana

Real Results and Real Opportunity

- Billings has used these dollars to support job creation—Bresnan, GE, Billings Clinic, St. Vincent, Advanced Care Hospital, Cabela's--over 550 jobs in the last four years
- Using \$2.7 million in Workforce Training Grants (2007-2010)
- Leveraging a non-State public/private investment of over \$140 million



More Opportunities Ahead:

Current business expansion and recruitment work is projected to net over 400 eligible new jobs in Yellowstone County over the next 2 years. That means we need \$2.0 million in Workforce Training Grant dollars... just for Yellowstone County.

Staying Competitive—in today's business climate, the trend across the country is to invest more resources to help attract and grow business.

- WYOMING - Because two mega data centers are actively considering locating in Wyoming, Gov. Dave Freudenthal wants to spend \$14.5 million to attract these "highly sought-after projects." -Billings Gazette, Dec '10
- NEVADA - Gov. Brian Sandoval outlined a plan to overhaul the state's economic development efforts and increase funding by 50 percent to spur job growth. - State of the State Address
- Other states across our region and the nation are re-committing themselves to economic development/job creation efforts—putting dollars behind their pledge to be business friendly.

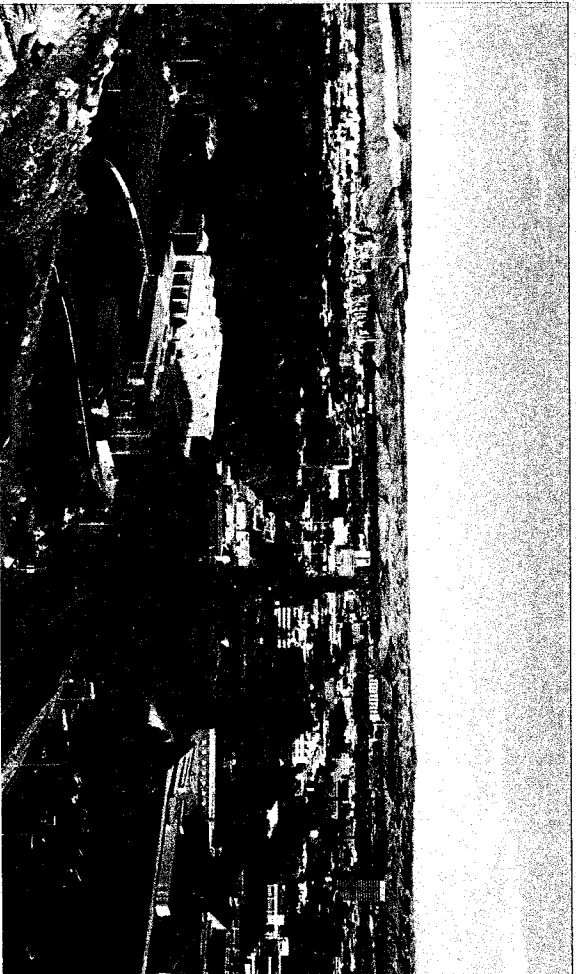
"Montana's quality of life and business climate are key fundamentals to economic development. Your work related to Montana's worker compensation system and eliminating the business equipment tax are very important. However, it takes the whole package, including workforce training programs for Montana to assist expanding businesses and to be competitive in attracting new businesses." SA

Conclusions

Workforce training dollars have provided a key tool for job creation in Montana

Appropriations to the Primary Sector Workforce Training Grant Program, if not used, return to the ending fund balance, but if under-funded we lose the opportunity to support job creation

We respectfully request that funding levels for the Primary Sector Workforce Training Grant Program be restored to \$2.5 million per year from the General Fund.



Let's stay committed to these essential workforce training programs..they make a difference!